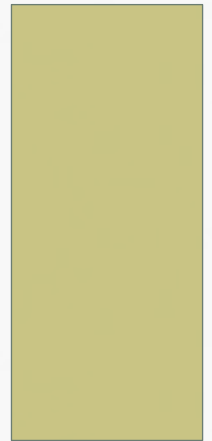


UPDATE: RESTORING FISCAL STABILITY  
FOR THE FAIRFAX-FALLS CHURCH  
COMMUNITY SERVICES BOARD

PRESENTATION TO THE BOARD OF SUPERVISORS'  
HUMAN SERVICES COMMITTEE  
OCTOBER 9, 2012



# PRESENTATION OVERVIEW

- Status of Budget Reductions Approved in FY 2013 Carryover Review
- Update on the County Executive's Work Plan for *Restoring Fiscal Stability for the CSB* and the CSB Board's Supplemental Work Plan
- Key CSB Policy and Program Work in Progress
- CSB Board Governance and the Process for Preparation of the FY 2014 and FY 2015 Proposed Budget Plan
- Questions

# HOW WE HAVE MOVED FORWARD

- FY 2013 Carryover Review enabled CSB to:
  - Stabilize the agency's funding base, allowing critical services to continue to be delivered through this fiscal year, and
  - Conduct a thorough review of services, investigate cost containment through alternative service models, and present a budget plan for FY 2014 and 2015 that identifies core services of the CSB and the CSB Board
- CSB, CSB Board and DAHS are working together to review all program operations, program budget models, and administrative processes

# IMMEDIATE AREAS OF ATTENTION

- Implementation of the budget plan approved at Carryover Review
  - Eliminate identified positions
  - Manage position vacancies
- Engaged the services of the Auditor to the Board to assist with analysis of key areas
- Re-assigned and deployed additional DAHS staff to remediate billing processes, contract processing, and enhance financial analysis and oversight of critical expenditures (personnel expenses)

# POSITION MANAGEMENT, MONITORING & VACANCIES

- Hiring freeze was implemented in February 2012 to contain spending.
- Given critical nature of many of the services provided by the CSB, essential vacancies must be filled.
- Funding provided at Carryover Review “right-sized” the fringe benefit budget and hiring freeze has been lifted, now a managed vacancy plan is in place.
- Close management and monitoring is in place to ensure fiscal stewardship:
  - New process for filling positions
  - New monitoring tools
- To date, authorizations has been given to fill 14 merit positions and most non-merit vacancies that have been routed through the “new” process.

# CSB COST CONTAINMENT EFFORTS

- Building upon the County Executive's ***Restoring Fiscal Stability for the CSB Work Plan***, the CSB subsequently established project teams to review all service areas
- Many of the resulting improvements are a consolidation of work that has been ongoing for the last several years
- The goals for the review and improvements combine both operational efficiencies, opportunities for revenue, service quality, and position management
- The project teams will report the CSB leadership on their findings between now and January, 2013
- The following slides are summary findings from the projects that are completed or close to completion based on target dates established in the plans

# Status of the County Executive's Work Plan Action Items

## Restoring Fiscal Stability for the CSB

Action Item	Status	Timeframe for Completion	Projected Savings
<b>Section 1: Financial Leadership, Controls, and Accountability</b>  1.7: Implement <b><u>position control</u></b> strategies to limit personnel costs	<ul style="list-style-type: none"> <li>Hiring freeze implemented to contain spending. Given critical nature of certain services, essential vacancies must be filled.</li> <li>Carryover Review remedied the fringe benefit budget; allowing selective hiring to commence.</li> <li>Close management and monitoring is in place to ensure fiscal stewardship, to include: (1) new process for filling positions, (2) new monitoring tools.</li> <li>Via the new process, authorization has been given to fill 14 merit positions and most non-merit positions.</li> </ul>	✓ February 2012   ✓ September 2012   ✓ Ongoing   ✓ October 2012	Not a savings per se, rather remain within appropriated budget

# Status of the County Executive's Work Plan Action Items

## Restoring Fiscal Stability for the CSB

Action Item	Status	Timeframe for Completion	Projected Savings
<b>Section 2: Service Utilization and Cost Containment</b>			
2.1: Investigate <b>alternative service model</b> for Employment and Day Support Services	Consultant reviewing CSB's Employment and Day services programs and recommending efficient and affordable service options	January 2013	TBD
	Contract to be awarded October 2012 to consultant to review and recommend policy and fiscal standards for Medicaid and other revenue maximization	February 2013	TBD



# Status of the County Executive's Work Plan Action Items

## Restoring Fiscal Stability for the CSB

Action Item	Status	Timeframe for Completion	Projected Savings
<b>Section 2: Service Utilization and Cost Containment (cont'd)</b>			
2.3: Reconfigure <b>residential support</b> services	<ul style="list-style-type: none"> <li>Reviewed cost of residential sites and impact on budget</li> <li>Anticipate &gt;\$12,000 short-term savings due to better cost management of leases and site support contracts</li> <li>&gt;\$200,000 in savings as leases expire</li> <li>Explored which services can be provided by private vendors</li> <li>Exploring structuring contracts for services to ensure cost effective provision of the continuum</li> <li>Efforts to engage nonprofits currently underway for 7 homes recently purchased by DHCD for use by CSB consumers <ul style="list-style-type: none"> <li>Potential savings awaiting further analysis based on responses to upcoming RFP</li> </ul> </li> </ul>	<p>✓ September 2012</p> <p>Ongoing</p>	<p>FY13 is \$12k</p> <p>FY14 is \$200k</p> <p>TBD</p>

# Status of the County Executive's Work Plan Action Items

## Restoring Fiscal Stability for the CSB

Action Item	Status	Timeframe for Completion	Projected Savings
<b>Section 2: Service Utilization and Cost Containment (cont'd)</b>			
2.7: <b>Prescribing</b> and [medication] <b>protocol</b>	<ul style="list-style-type: none"> <li>• FY2012 - CSB prescribed \$17million of prescriptions; local subsidy only 2.3% or \$390k</li> <li>• The largest payers for medications: insurance (54%); pharmaceutical companies(31%)</li> <li>• 24/7 medication management services available at 40+ CSB sites</li> <li>• Medical/fiscal monitoring occurs regularly; CSB medical leadership monitors prescribing practices</li> <li>• Analysis completed; prescribing protocols is efficient "as is", therefore this approach will continue</li> <li>• Generic re-branding in FY 2014</li> </ul>	✓ Summer 2012	FY14 is ≥ \$60k

# Status of the County Executive's Work Plan Action Items

## Restoring Fiscal Stability for the CSB

Action Item	Status	Timeframe for Completion	Projected Savings
<b>Section 2: Service Utilization and Cost Containment (cont'd)</b>			
2.9: Access and efficacy of training to other county agencies/organizations	<ul style="list-style-type: none"> <li>Established and implemented a survey to determine the quality and value of trainings</li> <li>Outcome goal to limit the use of staff providing training to mission essential activities where the training is effective</li> </ul>	October 2012	TBD
2.12: Analysis and recommendations for savings from contracted services	<ul style="list-style-type: none"> <li>Planned improvements to both contract structure and monitoring</li> <li>Short-term, establish new oversight standards</li> <li>As contract renewals arise, negotiate prices for residential services that saves 3% of cost</li> <li>As part of the next cycle, implement the same standard for non-residential contracts; decrease/discontinue contracts outside of scope/budget</li> </ul>	January 2013  Spring 2013  FY14 Contract Year	\$400k

# STATUS OF ITEMS IN THE CSB'S SUPPLEMENTAL WORK PLAN

- **CSB Front Door and Urgent Care**
  - Establishing single point of entry/assessment for those seeking services
  - Referring directly to needed services, and manage any waiting lists that may exist
  - Building upon existing Urgent Care and Access services to create sufficient responsiveness to those awaiting service and those who have urgent needs
  - No immediate cost savings; however realignment of existing resources will improve timely service delivery and create a “safety net” when access is limited

# STATUS OF ITEMS IN THE CSB'S SUPPLEMENTAL WORK PLAN

- **CSB De-Centralized Administrative Services/Support**
  - Prioritized support services for all CSB sites; staffing based on highest priority
  - Identify the most cost effective management and supervision structure
  - Identify cross system efficiencies including potential project work that will not take ongoing staff to perform
  - Once complete, a 10% reduction through efficiencies that will be applied to FY14 and FY15 proposed reductions -  $\geq$  \$700k
  - Impacts may be realized in the areas of customer services

# STATUS OF ITEMS IN THE CSB'S SUPPLEMENTAL WORK PLAN

- **CSB Centralized Administrative Services/Support**
  - Identify essential functions of CSB Central Administration driven by federal and state code as well as local strategic requirements
  - Identify minimum staffing necessary to maintain compliance with those requirements
  - Identify efficiencies that can be realized through cross training
  - Identify  $\geq 10\%$  reduction to be applied to personnel costs for the FY 14 & FY 15 budgets - \$580k

# KEY CSB POLICY & PROGRAM WORK IN PROGRESS

## CSB Medical Detox

- Objective - implement a more enhanced Medical Detox program that also services people with mental illness
- Major strategy - increase nursing coverage for medical purposes and convert other staff positions to professional services
- Expected outcome - increased capacity to serve people in distress currently turned away (over 200 annually)
- Providing another alternative site for people who currently use Woodburn emergency

# KEY CSB POLICY & PROGRAM WORK IN PROGRESS

- Intellectual Disabilities Services (ID)
- Infant and Toddler Connection Services (ITC)
- Residential Services (RS)
- Youth Services
- Tele-psychiatry Services
- Intensive Community Mental Health Services



# CSB BOARD GOVERNANCE ROLE

- CSB Board implemented a Fiscal Committee as a component of their governance structure
  - The entire CSB Board is fully engaged in aspects of financial oversight and budget development
  - Monitoring, review and approval of activities and deliverables associated with the County Executive's Work Plan
  - FY 2013 monitoring of the department's operations and planning
  - FY 2014 and FY 2015 approval of CSB Budget Reduction Strategies